



***United States Attorney
Southern District of New York***

FOR IMMEDIATE RELEASE
FEBRUARY 10, 2003

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**TWO MEN ARRESTED IN CONSPIRACY TO SELL OVER \$200,000
WORTH OF FAKE LOUIS VUITTON HANDBAGS VIA THE INTERNET**

JAMES B. COMEY, the United States Attorney for the Southern District of New York, announced that MIN ZHU and QIUHUI HUANG were arrested Friday and charged with selling more than \$200,000 worth of fake Louis Vuitton handbags to hundreds of victims across the country through auctions on the Internet auction sites eBay and Yahoo!. Searches conducted Friday at the two Staten Island homes where ZHU and HUANG were arrested and three other locations netted over 50 handbags, dust covers, boxes, and sales documents bearing the counterfeit trademark "Luis Vuitton," as well as records of Internet auctions and correspondence from numerous victims.

ZHU and MIN were each charged in separate Complaints with conspiracy, mail fraud and criminal trademark infringement.

According to the Complaints, the fraudulent activity came to the attention of the FBI and the United States Postal Inspection Service ("USPIS") when victims contacted the Internet Fraud Complaint Center ("IFCC") saying that they had won auctions advertising "genuine" Louis Vuitton handbags on the Internet auction sites eBay and Yahoo!, had been directed through e-mail correspondence to mail checks to one of numerous addresses in Manhattan, and had subsequently received handbags in the mail bearing the Louis Vuitton trademark.

According to the Complaints filed against ZHU and HUANG, however, most of the victims realized due to the inferior materials and shoddy construction of those bags that they were fake. The Complaints charge that many of those victims brought their bags to Louis Vuitton personnel, who confirmed in each case that the victims's handbag was a fake that was neither manufactured nor sold by Louis Vuitton.

According to the Complaints, the FBI and USPIS investigated the Manhattan addresses to which the victims had been directed to mail their payments and determined that each was a mailbox at an outlet of the commercial mail drop service Mailboxes, Etc., that had been opened by ZHU, HUANG, or other members of the conspiracy. The Complaints charge that during surveillance, agents saw HUANG pick up mail from several of those mail drop boxes, and that the rental agreement for one of the

boxes led agents to a Staten Island Post Office where ZHU maintained another mailbox. According to the Complaints, the manager at that Post Office advised agents that he had repeatedly seen men matching the descriptions of ZHU and HUANG pick up mail delivered to that mailbox and mail Priority Mail boxes from the Post Office, and that on one occasion a box sent to the mailbox used by ZHU had split open, revealing a large number of expensive-looking handbags.

The Complaints allege that agents acting in an undercover capacity also purchased two handbags through Internet auctions held by individuals using aliases associated with the scheme. Investigation of e-mails sent by those individuals led to the identification of two Staten Island residences where ZHU and HUANG were ultimately arrested. During surveillance at each of those locations, the Complaints charge, agents saw HUANG transporting packing materials and Priority Mail boxes containing fake Louis Vuitton handbags and taking those boxes by car to the Staten Island Post Office for delivery to victims of the scheme.

If convicted of the conspiracy, mail fraud and criminal trademark infringement counts charged in each Complaint, ZHU and HUANG each face a maximum sentence of 20 years in prison and a \$250,000 fine or twice the gross gain or loss resulting from the crime.

Mr. COMEY praised the investigative efforts of the FBI and the USPIIS and said the investigation is continuing.

Assistant United States Attorney ANDREW C. DeVORE is in charge of the prosecution.

The charges contained in the Complaints are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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